

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

JD BROTHERS LLC, et al.,

Plaintiffs,

v.

LIBERTY ASSET MANAGEMENT  
CORPORATION, et al.,

Defendants.

Case No. 15-cv-01373-VC

**ORDER DENYING MOTION TO  
DISMISS CROSS-CLAIMS**

Re: Dkt. No. 118

The Court has subject matter jurisdiction because the cross-claims relate to the same "transaction or occurrence" as the original action – the purchase and sale of 166 Geary Street, San Francisco, CA – and the cross-claims were brought against a coparty. Fed. R. Civ. P. 13(g); *see* Third Am. Compl. ¶¶ 8-9, 98, 106; Cross-Claim ¶¶ 15-18, 36-46. The cross-claims and the complaint's claims share a "common nucleus of operative fact" such that they "would normally be tried together." *Bahrampour v. Lampert*, 356 F.3d 969, 978 (9th Cir. 2004).

The cross-claimants have standing because they clearly allege an ownership interest in HK Grace. Cross-Claim ¶¶ 13, 21, 28, 32-33, 37. And for similar reasons, the assertions by the cross-defendants regarding the ownership status of HK Grace cannot, at the pleading stage, defeat the cross-claims.

Accordingly, the motion to dismiss the cross-claims is denied.

**IT IS SO ORDERED.**

Dated: October 24, 2016



VINCE CHHABRIA  
United States District Judge